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Please complete legibly, preferably in black type, or bold block lettering

* insert full name of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

FEE PAID £10 M COMPANIES HOUSE

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Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use: 2

Company number: 567460

Name of company

* The Sail Training Association (the 'Company')

Date of creation of the charge

28th February 1999

Description of the instrument (if any) creating or evidencing the charge (note 2)

Security assignment between the Company and Lloyds Bank Plc (the 'Bank') (the 'Assignment')

Amount secured by the mortgage or charge

The aggregate of all amounts whatsoever whether principal, interest or otherwise which may from time to time or at any time be or become due and owing actually or contingently from the Company (whether as principal, surety or otherwise) to the Bank under the loan agreement dated 30th October 1997 between the Bank and the Company, pursuant to which the Bank has agreed to make available to the Company a loan of up to £4,000,000 to assist the Company in acquiring the Hulls (as therein defined) and converting the same into sail training yachts (the 'Loan Agreement') and the Security Documents (as defined in the Assignment).

Names and addresses of the mortgagees or persons entitled to the charge

Lloyds Bank Plc
71 Lombard Street
London EC3P 3BS

Presentor's name address and reference (if any):

Richards Butler
Beaufort House
15 St Botolph Street
London
EC3A 7EE

For official use

Mortgage Section | Post room

KLO *KEUCCEHB* 224
COMPANIES HOUSE 09/03/99

Time critical reference

KK/99-3543

Short particulars of all the property mortgaged or charged

1. The advance payment bond issued or to be issued by the Bank acting through its office at 4/6 Copthall Avenue, London EC2R 7DA guaranteeing the repayment by Appledore Shipbuilders Limited (the 'Builder') of a portion of the pre-delivery instalments under the shipbuilding contract dated 12th January 1999 between the Builder and the Company as the same may from time to time hereafter be amended (the 'Shipbuilding Contract') if the same should become repayable by the Builder pursuant to the Shipbuilding Contract.

2. The agreement dated 22nd December 1998 issued between Langham Industries Limited (the 'Performance Guarantor') and the Company whereby the Performance Guarantor guaranteed the due performance by the Builder of its obligations under the Shipbuilding Contract.

3. The letter dated 11th January 1999 addressed by the Builder to, and accepted by, the Owner, whereby the Owner agreed to sell a Hull and certain other equipment to the Builder upon the terms and conditions therein set out.

4. The Shipbuilding Contract including the insurances on the sail training yacht having hull no. 178 to be constructed by the Builder under (cont'd)

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Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

Nil

Signed Richards Butler Date 9th March 1999

On behalf of [~~company~~] [mortgagee/chargee] †

† delete as appropriate

NOTES

1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.

2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.

3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
(a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
(b) procuring or agreeing to procure subscriptions, whether absolute or conditional,
for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.

4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

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Please complete legibly, preferably in black type, or bold block lettering

the Shipbuilding Contract using a Hull to be sold by the Company to the Builder (the 'Ship') to be effected in the name of the Builder and the Company pursuant to article XIII of the Shipbuilding Contract and all claims and recoveries under such insurances.

5. The Ship (as she is constructed) and all (without limitation) the engines, boilers, pumps, heating, lighting and ventilation of the Ship and such other machinery main or auxiliary equipment and fittings including refrigeration machinery and installation and navigational and communications equipment as may be referred to in the Shipbuilding Contract (the 'Appurtenances') and (without limitation) any parts or materials used or intended to be used in the construction of the Ship or of any of the Appurtenances, whether wholly or partly finished, from time to time appropriated or intended for the Ship.

Laserform International Limited 5/94

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 00567460

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SECURITY ASSIGNMENT DATED THE 28th FEBRUARY 1999 AND CREATED BY SAIL TRAINING ASSOCIATION(THE) FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO LLOYDS BANK PLC UNDER THE LOAN AGREEMENT DATED 30TH OCTOBER 1997 PURSUANT TO WHICH THE BANK HAS AGREED TO MAKE AVAILABLE TO THE COMPANY A LOAN OF UP TO £4,000,000 AND THE SECURITY DOCUMENTS WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 9th MARCH 1999.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 11th MARCH 1999.

A. J. WAREHAM

for the Registrar of Companies

COMPANIES HOUSE

HC026B